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PRESS RELEASE

Richard S. Hartunian, United States Attorney for the Northern District of New York, Rene Febles, Special Agent in Charge of the Office of Inspector General, U.S. Department of Housing and Urban Development in New York, John F. Pikus, Special Agent in Charge of the Albany Division of the Federal Bureau of Investigation, and Lt. John D. Durling of the New York State Police Special Investigations Unit announced that Elmer J. “Joe” McIndoo was sentenced today by United States District Judge Thomas J. McAvoy in Albany to six months home detention and five years supervised release for his role in a local mortgage fraud scheme. McIndoo also was ordered to make full restitution in the amount of \$135,148.45, due jointly and severally with the other defendants convicted in the case, and he was required to surrender his New York State real property appraiser’s license as a result of his conviction.

McIndoo, age 55, of Watervliet was sentenced for his involvement in preparing and causing to be submitted false appraisals for each of the properties involved in a fraudulent scheme, led by co-defendant Michael Cassadei, in which the victim financial institution, the former First Union National Bank of Delaware, financed the sale of Capital Region residential properties in amounts well in excess of their actual value, with the proceeds of the loans used to purchase the properties in much lower amounts and the bulk of the funds retained by the defendants. Cassadei’s sentencing currently is set for December 15, 2010, at 9:30 am, before Judge McAvoy in Albany.

The ongoing investigation in this matter is being conducted by the Office of the Inspector General of the United States Department of Housing and Urban Development, the Albany Division of the Federal Bureau of Investigation and the New York State Police Special Investigations Unit, with the assistance of the Internal Revenue Service, Criminal Investigation Division, the United States Postal Inspection Service, and the New York State Banking Commission. It is being prosecuted by the United States Attorney's Office for the Northern District of New York.

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